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Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S. W.
Washington, D. C. 20554

Dear Ms. Dortch:

Views on Learning, Inc. (VOL) submits its Comments and Reply Comments in this proceeding to address significant issues impacting the future of Instructional Television Fixed Service (ITFS). VOL's comments are in support of its understanding of the Federal Communication Commission's mandate to

- Provide policies and rulings for utilization of radio spectrum that support the overall public interest in the United States ,
- Encourage the utilization of telecommunications to support the improvement of the nation's educational system at all levels ,
- Establish processes that are equitable and will provide as much assurance as possible that the spectrum will be used to improve education, and
- Support through its actions the policies and goals of other government departments and agencies such as the Department of Education and Department of Commerce that support the utilization of technologies to bring about systemic changes in our nation's educational system.

As basic principle behind all of these statements is the realization that this nation is undergoing rapid and implicit changes in its social, political, and economic fabric. There is little hope that change will slow down; rather, the reverse is all the more probable. As a nation we shall either learn to cope with change or stagnate. More than ever that determination rests upon the capability of our educational system to prepare our citizenry for the workplaces, the communities, and the voting booths during the decades ahead. It is apparent that the Commission's policies related to ITFS spectrum utilization will have the capability to become a major player in that endeavor.

The FCC's task to revise and streamline these policies is truly an awesome one, especially when one considers that the intent is to administer policies that will shape the direction of spectrum use over the next several decades. Consequently, VOL urges the

Commissioners to consider only those changes that offer flexibility in the use of the spectrum for educational purposes and avoid unnecessary delays in the issuance and maintenance of licensing.

For the remainder of this paper VOL hopes to enlighten the Commissioners regarding

- VOL's unique position among not-for-profit license holders,
- Its innovative plan to offer broadened services to schools and media producers as license holders move into ever widening broadband operations, and
- Its position on certain key issues where there are different perspectives that could dramatically affect operations in the ITFS spectrum by both educational organizations and commercial interests.

Views on Learning's history and plans for the future.

Views on Learning, Inc. was formed in 1991 as a not-for-profit organization to promote the increased use of instructional television in the nation's schools. Since that time up to the present there has been a specific set of procedures an organization such as VOL must follow in order to qualify for an ITFS license. Each application has had include a letter from schools (receive sites) that indicated their interest in the services VOL could provide. Secondly, a commercial wireless cable operator would have to agree to provide the transmission infrastructure at no charge to the schools. The operator in turn would contract to pay royalties to the n-f-p in return for use of the excess capacity available in the licensed portion of the spectrum. At first growth was slow. The FCC froze admittance of applications for several years. Even those that had reached FCC desks languished for years before licenses were granted. (An example of such frustrations is the filing for a license in Des Moines in 1992. Even though VOL reached a compromise with American Business Institute in 1999 agreeing to split the channel assignment, the license still has not been awarded to either party.)

The first major breakthrough came in 1995 when a brief window for applications was opened. As a result the numbers of markets for which VOL is licensed has grown to 19 in 12 states. These represent cities from Fairbanks, AK, to Ft. Myers, and Atlantic City to Monterey, CA. There are large metropolitan areas such as Columbus, OH, and Louisville, KY, and smaller cities like Sheridan WY, and Ukiah, CA.

VOL also lost licenses in Key West and Islamorada, FL, when the commercial operator, Keys Microcable, closed and a replacement could not be found within one year. VOL urges a policy change lengthening the time before a license would be revoked.

The above scenario illustrates the difficulties ITFS entities have faced. Other n-f-p's and schools could site similar cases over and over again. VOL urges a simplification of the application process and a speedy determination for awarding licenses.

The next big breakthrough for VOL came with the transfer of licenses to Sprint and BellSouth, two of the giants in the telecommunications industry. New contracts with Sprint increased VOL's revenue base and have enabled its staff to prepare to broaden its services after initiation of broadband services occurs in its markets around the country. Other moves by Alaska Wireless Cable in Fairbanks and Teton Wireless in Pocatello are also proving helpful.

About Views on Learning's staff.

Views on Learning's operations fall under the leadership of three people, Joe Rueff, Executive Director; Joette Ziarko, Assistant Executive Director, and Kim Mann, Administrative Assistant. Together Rueff and Ziarko have nearly 70 years experience in education, representing classroom teaching at the elementary, secondary, and post-secondary levels, library and media specialization, student and program evaluation (including administration of state testing procedures at the local school district level), curriculum development and administration locally and with state education department specialists. Rueff has been the director of federally funded curriculum projects and in the private sector, has editorial and marketing experience in educational publishing. Ms. Mann brings several years of office experience in both for- and not-for-profit organizations.

VOL has always considered its role as that of a liaison between the commercial operator and its receive site schools. Its tasks are to furnish exemplary materials for instruction, both via wireless cable transmission and from other sources. As such, it furnishes schools with complimentary copies of Cable in the Classroom (now dramatically changing its format to better serve broadband recipients, and has changed its name accordingly to Access Learning). VOL also provides free videotapes of programs from such sources as NASA, the Prince William School District Performing Arts series, and Fairfax Public School District's Passport to Knowledge series. It has also distributed its newsletters and created web sites that provide information about exemplary sites for students, educators, and parents.

The overriding philosophy of VOL has been to act as a liaison between the commercial operators as profit making organizations on the one hand and its receive site schools as service providers on the other. This has paid off as the organization has gained a reputation among both businesses and schools for fairness and understanding the missions of each.

Recent Views on Learning Activities as They Relate to ITFS Considered Changes

For the past six months VOL has been developing plans regarding how it can best serve in the new era of broadband provider. To prepare Rueff and Ziarko have traveled to several locations during the past six months to talk with media specialists, school teachers and administrators, and representatives of its commercial partners. They went to Ft. Lauderdale and Tampa to discuss distance education as perceived by the staff of BECON (Broward Educational Communications Network) and USF (University of South Florida)

distance education personnel. They visited BellSouth and Sprint offices to talk with their representatives about their company's plans to utilize ITFS spectrum. They went to Fairbanks and participated in the North Star Borough School District's Vendor's Fair that gave them an opportunity to obtain reactions from teachers and administrators. They attended Technology & Learning's Conference in Chicago that highlighted educational uses of such innovations as Internet2. Finally, they participated in conferences in Tucson sponsored by the National Educational Telecommunications Association (NETA) and in Las Vegas by the National Media Market (NMM). Between these two meetings they talked with more than 75 media producers and discussed how these companies might fit into new opportunities afforded by changes in ITFS policies. In addition to these experiences, Rueff and Ziarko have participated in several webcasts sponsored by Microsoft Live Meeting (formerly PlaceWare) and HorizonLive. These have provided valuable insights into new ways technology can support innovative opportunities for staff development and student activities, programs that VOL could provide for its receive site schools.

Finally, VOL is working to develop both formal and in formal agreements with United Learning in Evanston, IL, to offer its *unitedstreaming* database to receive site schools at discounted license fees. It has been talking with representatives of PBS' Adult Learning Service about using its television or online services, or both, in VOL licensed communities.

The Future of ITFS

The detailed description of VOL's recent activities has been included for a purpose: It is essential that as license holders move into a new era there are new services that must be provided. ITFS licenses are not only to offer pipes to each school through which data can travel. They also involve helping schools to determine what data flows through the pipes. Finally, it means that license holders should provide for schools and other organizations the assistance they need to choose among the multitude of options available to them.

When licensees begin to offer broadband in their licensed communities, there should be a new relationship forged that differs substantially from that currently in place for television transmission. Today VOL or a similar applicant must forge an agreement with a commercial operator to provide the necessary infrastructure. Then the applicant needs to get one or more letters of interest for ITFS services from schools in the viewing area. Upon issuance of the license, the holder needs to obtain consensus from those schools regarding what educational programs should be transmitted. The commercial operator must then comply with that request. At least one analog channel needs to be used to meet that requirement. The world of broadband is different. The Internet offers an infinite variety of opportunities to each receive site, rather than "one channel fits all". The license holder then should assume the responsibility to assist each receive site in determining how best to utilize these services. In VOL's case that means working with about 150 schools across the nation, a monumental task. It is currently testing the best ways to provide these services. Shall VOL use services such as HorizonLive or PlaceWare for webcasts? Are conference calls a possibility? Should it establish a system of two way

video teleconferencing? These are questions for which VOL is currently seeking answers by contacting each receive site in order to establish a closer relationship necessary to meet individual school needs.

VOL has presented these details because it feels there is a general model herein for license holders. The plans may differ and priorities will be different, but VOL feels that its role in working as a team member with educational organizations on the one hand and commercial operators on the other is applicable anywhere. Here are the premises:

- Be a liaison between the educators on the one hand and the commercial operators on the other;
- Be a broker that understands the needs and priorities of each educational organization, has knowledge of what media resources can be provided to deal with those needs and priorities, and brings the educators and media producers together to provide those services via the ITFS pipeline, and
- Be an auditor of the transmission system to insure that it continues to operate in the best interests of the educators.

Special Concerns of comments raised to the NIA/WCA/CTN recommendations.

Based upon its 12 year history as participant in the ITFS arena, and especially during the last few months of discussion with people involved in educational media and telecommunications, VOL has developed strong feelings related to the use of the spectrum.

- Although this might seem to be a small consideration, VOL feels that the Commissioners should change the name of the spectrum from Instructional Television Fixed Service (ITFS) to Instructional Telecommunications Services (ITS) in order to reflect the changes anticipated to result from the policies to be enacted.
- There has been concern from some about the portion of the spectrum the NIA/WCA/CTN paper recommends holding for high power transmission. VOL concurs with the coalition's position. While streamed video may well be the wave of the future and is currently used on limited basis, it would be a substantial disservice to deny traditional television transmission, either analog or digital, for the scores of schools, colleges, and universities that today rely upon it for distance education. Schools have an investment in equipment and personnel. With budgets strained it would not serve the public interest at this time to deny a continuation of those services.

In the long run who knows whether there will be a normal phasing out of high power transmission? New technologies may come along that require it. When drafting policies that should serve for decades, the Commission should be very prudent about making any changes that might hurt future development as well as present distance learning operations.

- VOL feels very strongly that the Commission should retain the current eligibility requirements that limit its granting ITFS licenses only to not-for-profit organizations that have demonstrated an educational mission. Staff members have examined alternative arguments and have reached the conclusion that these have no merit if the Commission's intent is to assist the nation's educational system to develop citizens' abilities to cope with the problems manifest in a rapidly changing society.

The underlying rationale for keeping the present requirements come from a basic understanding of the different missions held by for-profit and not-for-profit organizations. For-profits have at the core of their existence a mission to maximize profits and secure the best return on investment (ROI) possible within ethical and legal bounds. These are legitimate priorities. However, they may not be consistent with the priorities held by not-for-profits, including public sector organizations. The mission of n-f-p's is to maximize service within the sector they serve and within the constraints of their incomes. While organizations from both sides can and should cooperate to provide optimal ITFS service, the best arrangement is to allow the comparative advantages of each to persist.

It is entirely correct that for-profit companies develop the infrastructure to allow transmission and reception of data whether that is by traditional television or via the Internet. They should receive a fair return for those operations. That is where their talent, their resources lie. And it is just as correct that those who specialize in education should have control of the resources that are to be delivered to students. VOL is convinced that sound business plans can be developed for organizations on both sides.

What are the arguments offered for changes? Let's examine a few:

1. *Expanding eligibility will increase investment by commercial interests so say the proponents.* VOL asks HOW? Development is carried out across the spectrum. There is no reason that a portion would either gain or be shut out from improvements. Secondly, the gain in revenue a commercial entity would obtain from ownership would be minuscule compared to the total expenditure needed to carry out the research, testing and implementation of any major changes. As one thinks of the greatest advancements of the past decades, the World Wide Web and the ongoing movement of Internet2 come to mind. Each of these has developed in research universities, not telecommunications companies.

Furthermore, incentives to build systems can come from many sources -- venture capital within the private sector and in the public sector various tax incentives such as tax abatements and tax incremental financing programs or state grants and loans for developments in technology.

2. *If commercial interests held licenses they could be required to meet the same obligations as satellite carriers currently have to transmit educational or informational programming.* Anyone who has viewed the array of channel opportunities currently carried by satellite providers knows that these offerings offer a very little in the way of critical programming for specific localities. Even local cable companies often treat "public access channels" as important as the hair on the tail of a dog. Both of these examples highlight the problem of commercial operators dictating what is provided. While the programs offered may be worthwhile to some they do not provide the basis to deal with issues identified within specific communities. Who is to say what ITFS license holders should provide? How closely will commercial providers identify with the needs and interests of each school in their viewing areas? What services will they provide to assist schools and others to make optimal use of the opportunities that the Internet can provide? If broadband is the choice of schools, what can commercial operators offer that would not be possible via leased arrangements? These are questions that must be answered to determine VOL's future directions.
3. *Generally, commercial carriers would be more interested in holding licenses outright rather than leasing.* This is not necessarily the case. One must remember that ownership, or holding a license, would not be financially prudent in many cases. Why do firms lease automobiles, trucks, office equipment, and even buildings rather than owning? One major reason is that owning infers that the article is an asset and therefore taxable. A leased portion of the spectrum is a liability and, depending upon its value could result lower taxes.
4. *The ability of ITFS license holders to sell their holdings to commercial interests will benefit schools when they have financial difficulties.* One must remember that the policies to be issued by the Commission are intended to last for decades. If a school faces a financial crisis at any moment there are many ways to meet its problem rather than losing control over a vehicle that can provide it with valuable resources for years to come. School administrations change regularly. One administration's determination to use the sale of a license as an easy way out can cause problems for later administrations that place a value on that holding but have no way to get it back.
5. *Rural areas would benefit by having the option of open eligibility.* The potential for operators should be just as great via the leasing route. If the Commissioners feel incentives are necessary to interest more businesses in building out services then it would be best to offer legislation in Congress to provide tax breaks for start ups in more sparsely populated regions. However, there are companies today such as Teewinot in Montana and Idaho that seem to be initially successful.

In summary, VOL urges the Commission to consider each of these recommendations for change in terms of its effect on the nation's educational system. Changes would be easy to make. But returning to the status quo at a later date would be extremely difficult if not impossible.